(a) whether Government's attention has been drawn to a news item in the Financial Express dated 3rd December, 1993 captioned "4,000 bank branches may be closed down" by March, 1995 and 500 loss-making branches of nationalised bank would cease to exist-before the next budget of the Central Government;

(b) if so, whether it is a fact that Government, is trying to force a retrenchment of nearly one lakh officers and employees particularly these bank employees who are serving in the urban and metropolitan areas of the country because of a direct fall out of the recent understanding reached between some of the 14 nationalised loss making banks and RBI; and

(c) whether some bank managements have opined that the latest moves of Government and RBI are "ill-fonded and illogical" if so, what is the reaction of Government thereto and what 'remedial steps are proposed are to be taken to ease the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Sir. The number of branches which may be closed is, however, 100 only.

(b) There is no move to retrench the employees of the branches which are proposed to be closed. The staff at such branches will be productively redeployed in other branches of the bank for essential activities such as internal audit, recovery, housekeeping etc.

(c) No, Sir.

RECOVERY OF LOANS BY SBI, JANAKPURI

2589. SHRI M. A. BABY :

SHRI E. BALANANDAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the reliefs granted by the Government of India in respect of recovery of loan granted to November, 1984 riot victims have not been implemented by the State Bank of India;

(b) whether the said Bank failed to advise the borrowers about the extent of relief provided as per the Reserve Bank of India circular dated on 1st September, 1993 ; and

(c) whether the SBI are taking steps to settle the cases of riot victims by withdrawing the court cases filed against them ?

THE MINISTER OF STATE IN THE MINISTER OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) State Bank of India (SBI) has reported that it has been implementing the Debt Relief Scheme for November, 1984 Riot Affected Borrowers and the Central Interest Subsidy Scheme (Revised) for November, 1984 Riot Affected Borrowers.

(b) SBI has reported that the work relating to calculation of the amount of interest relief available to the eligible borrowers as per the Reserve Bank of India circular of 1st Sept. 1993 is in progress at its branches and the borrowers will be advised by the branches in this regard.

(c) In case of borrowers eligible for relief under debt Relief Scheme for November, 1984 Riot Affected Borrowers, whenever required, steps have been taken by SBI for withdrawing the court cases, if any, filed against such borrowers.

2590. [TRANSFERRED TO 22ND DECEMBER, 1993]

INCREASE IN THE NON-PLAN EXPENDITURE OF STATES

2591. SHRI S. MADHAVAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have examined wasteful expenditures, leakages of revenue